



State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF STATE UNIFORM PAYROLL

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GOVERNOR

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COMMISSIONER OF ADMINISTRATION

May 4, 2000

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2000-68

TO: All UPS Agencies

FROM: Ronald S. Mitchell
Director

SUBJECT: 2000-2001 Flexible Benefits Plan Year Employee Record Maintenance

Flexible Benefits Plan (FBP) Annual Enrollment ended on April 30, 2000. Any changes made to employees' Group Hospitalization (HS), Group Life (LI), or miscellaneous deductions **MUST** be entered in UPS by agencies the first pay period in June for HS and LI products and the first pay period in July for miscellaneous products, with the exception of MSZ. Keep in mind that different entries will be required for an employee who is joining the FBP as opposed to an employee who is a current FBP participant making changes to their deductions.

The attached chart was developed to assist agencies in determining when to enter data. The chart also identifies the system FBP maintenance that will be performed in June and July. Refer to the chart for detailed instructions to stop MSZ deductions. All changes automatically processed by UPS for FBP maintenance will appear on separate On-Line Master Record System Audit Reports to be produced the weeks of May 15 and June 26, 2000.

NOTE: Changes to miscellaneous vendor products/codes are outlined in OSUP Memorandum #2000-62 and changes to Group Hospitalization codes are outlined in OSUP Memorandum #2000-69.

The MSU Deduction Report (BL1438-01) was produced for the April 7, 2000 payday. The MSZ Deduction Report (BL1438-02) will be produced for the May 19, 2000 payday. Agencies should review these reports in BUNDL to determine which employees must complete a new enrollment form for dependent care (MSU) and determine whether any MSZ deductions are for hospitalization and/or life products which must be stopped in June.

NOTES:

- (1) For current FBP participants who elect to add or increase insurance coverage during annual enrollment **with an immediate effective date**, the deduction or increase must be set up as non-participating (N). The system FBP maintenance routine run in July will change the deduction to participating (P).
- (2) New FBP participants' CAFE IND should be changed to the appropriate indicator P, M, or F for the first pay period in June regardless of current Group Hospitalization and/or Life coverage. This will ensure that the system will change all eligible miscellaneous deductions to participating (P) for the first pay period in July.

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- (3) For current FBP participants who elect to stop their participation in the FBP, the HS/LI Part indicator must be changed to "N" during pay period 5/15 - 5/28/00 so that Group Hospitalization/Life is not sheltered during the month of June for July premium payments. However, when July FBP maintenance is run for the first pay period in July, the HS/LI Part indicator will automatically change back to "P" to match the CAFE participation indicator. This action is unavoidable; consequently, OSUP will review the special audit report, identify the affected employees, and contact the affected agencies. The affected agencies will have to manually change the HS/LI part indicator back to "N" to resolve this problem. Refer to the attached chart for miscellaneous product entry in July.

State Employee's Group Benefits Program (SEGBP) will allow all state employees a one-time change in their hospitalization plan during the next FBP year. Beginning in July 2000, each individual hospitalization plan will have a different premium amount. **For employees participating in the FBP, the total dollar amount being sheltered must remain the same throughout the plan year.** For employees who change to a hospitalization plan with a lower premium amount, agencies must set up a deduction to **MSZ PC** for the difference in premium amounts that must still be deducted and sheltered through the remainder of the FBP year. For employees who change to a hospitalization plan with a higher premium amount, agencies must change the Hospitalization Participation Indicator to **S** and complete the new entry line **NON-PART DED AMT** with the portion of the semi-monthly premium that should not be sheltered. (See Section IV, D, 12 of OSUP's On-Line Manual).

Any questions which agencies cannot resolve regarding the establishment of miscellaneous products should be referred to SEGBP and/or the respective miscellaneous vendor coordinator. For further assistance with entry of necessary changes, please contact a member of the User Services Unit at (225):

Karen Antoine
Debra Causey

342-5354
342-5377

Barbara Blankenship
Paula Rotolo

342-5345
342-5357

RSM:PAR/kmb

[Attachment](#)

FOR CURRENT FBP PARTICIPANTS OR NEW FBP PARTICIPANTS, THE FOLLOWING ENTRIES ARE REQUIRED:

WHEN	IF CURRENT CAFE IND IS:	CHANGE CAFE IND TO:	GROUP HOSPITALIZATION AND LIFE ENTRY	MISCELLANEOUS DEDUCTIONS ENTRY
Before any entry is made by agencies for the first payroll in June, UPS will automatically convert all split Group hospitalization and/or life to participating (P) for employees with CAFE IND of P, F, or M.				
1st pp June	N or D	P, F, or M	set up and change coverage; change PART code to participating (P)**	No Entry (System will change non-participating deductions to participating for the first pay period in July.)
Before any entry is made by agencies for the first payroll in July, UPS will automatically convert all eligible, non-participating MS deductions identified as NA, NB, etc., to the corresponding eligible, participating product code (e.g. PA, PB, etc.). UPS will also stop deductions for MSU_PD (GB Dependent Care FSA) and MSZ_PC (required deduction).				
1st pp July	P, F, or M	No Entry	No Entry	set up new deductions with participating (P) codes; set up MSU_PD deductions

TO REMOVE AN EMPLOYEE FROM FBP PARTICIPATION, THE FOLLOWING ENTRIES ARE REQUIRED:

WHEN	IF CURRENT CAFE IND IS:	CHANGE CAFE IND TO:	GROUP HOSPITALIZATION AND LIFE ENTRY	MISCELLANEOUS DEDUCTIONS ENTRY
1st pp June	P, F, or M	No Entry	change PART code to N (non-participating)	No Entry
1st pp July	P, F, D, or M	N	No Entry	Change <u>ALL</u> MS participating (P) deductions to the corresponding non-participating (N) codes

MSZ_PC will be automatically stopped for the first pay period in July. However, MSZ_PC **must be stopped manually for the first pay period in June if the deduction was set up for Group hospitalization and/or life. OSUP will produce the MSZ Deduction Report (BL1438-02) for the May 19, 2000 payday listing all employees with MSZ deductions. The report will remain in BUNDL for 60 days.